

Getting More Child Support To Families

The Deficit Reduction Act of 2005 Builds on the 1996 Welfare Reforms to Get More Child Support to Families

The *Deficit Reduction Act of 2005* (P.L. 109-171) included provisions that will get more child support to both welfare and non-welfare families while maintaining significant federal participation in the child support program:

- The Congressional Budget Office estimates that during the next five years, \$18.5 billion in federal funds will be expended for administrative costs in the child support program.
- In addition, \$2.4 billion in federal incentive payments to states will be made in the next five years. However, effective in fiscal year 2008, the federal government will no longer provide matching funds when states spend federal incentive payments, saving \$1.6 billion over five years.
- Child support collections are expected to rise from \$23.8 billion in fiscal year 2006 to \$27.8 billion in fiscal year 2010. Collections are expected to grow every year.
- States will have incentives to pass-through more support to current and former welfare families. The Congressional Budget Office estimates this action will cost the federal government over \$400 million in the next five years.
- Additional enforcement tools are provided to increase child support collections:
 1. Child support orders will be reviewed and updated every three years.
 2. Passports will be denied for those owing over \$2,500 in child support.
 3. Medical support will be sought from either parent.
- States will be required to impose a \$25 annual processing fee for child support enforcement cases when at least \$500 is collected in a year.